

Date Mailed  
June 29, 1999

BEFORE THE  
PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of CenturyTel of Wisconsin, Inc. for Approval of an  
Alternative Regulation Plan

2930-TI-101

**NOTICE OF HEARING**

<b>Direct Testimony Due:</b>	<b>June 30, 1999 – Noon</b>
<b>Rebuttal Testimony Due:</b>	<b>July 15, 1999 – Noon</b>
<b>Surrebuttal Testimony Due:</b>	<b>July 21, 1999 – Noon</b>
<b>Hearing Date:</b>	<b>July 22, 1999 – 1:30 and 7:00 p.m.</b>
<b>Hearing Location:</b>	<b>La Crosse County Administrative Center - Basement Auditorium, 400 Fourth Street North, La Crosse, WI</b>

CenturyTel of Wisconsin, Inc. (CTW) provides telecommunications service to the La Crosse and West Salem exchanges. On February 18, 1999, CTW filed an application for an alternative regulation plan (Plan) under Wis. Stat. § 196.195(12). On May 10, 1999, CTW filed a letter stipulating to reductions in business and intrastate access rates, committing to a minimum investment in infrastructure during 1999, and agreeing not to increase rates to recover the Technology for Educational Achievement (TEACH) assessment before December 31, 1999. The business and access rate reductions became effective on various dates in May 1999.

On May 28, 1999, after discussions with Commission staff, CTW filed a revised Plan. If approved, the revised Plan proposes to increase rates for local residential service, further decrease rates for intrastate access services, and implement a primary interexchange carrier charge (PICC). The Plan would cover a 5-year period, and include a provision that the applicant be allowed to adjust rates within specified limits based on rate rebalancing and attainment of specified objectives. The Plan also includes waiver of certain statutory sections and implementation of procedures to promote competition in the applicant's service territory. Details of these and other proposals are contained in the applicant's filing. Copies of the applicant's filings may be obtained by written request to Timothy Steffes, CenturyTel, P.O. Box 349, Tomah, Wisconsin 54660-0349, or by e-mail addressed to [tim.steffes@centurytel.com](mailto:tim.steffes@centurytel.com).

As stated in the Commission's Notice of Proceeding and Investigation and Assessment of Costs and Prehearing Conference, issued May 18, 1999, this is a proceeding to consider whether

it is in the public interest to approve an alternative regulation plan for CTW, and if so, what provisions should be included in such a plan. In making this determination the Commission shall identify all of the following:

- (a) The goals to be achieved, which may include promoting competition, infrastructure deployment, economic development, consumer choice, productivity, efficiency, quality of life, societal goals, or universal service.
- (b) The authorized incentive and how the incentive is expected to help achieve the identified goals.
- (c) The measurement to be used to evaluate successful attainment of the identified goals.
- (d) The extent to which Petitioner has contributed to the Wisconsin Advanced Telecommunications Foundation, established under Wis. Stat. § 14.28.

At the prehearing conference held June 1, 1999, a schedule for filing of testimony and an issues list were established. The schedule for filing of testimony is set forth in the box on page 1. The issues are as follows:

- 1. Overall is the alternative regulation plan in the public interest?
- 2. Does the plan provide net benefits to customers?
- 3. Are all initial rates, including local and access, reasonable under the plan?
- 4. Are the provisions to change all rates, including local and access, reasonable under the plan?
- 5. Are incentives based on dollars of infrastructure investment appropriate and if so, at what levels?
- 6. Are incentives based on research appropriate and if so, at what levels?
- 7. Are incentives based on consumer education appropriate and if so, at what levels?
- 8. Are adjustments to penalty and incentive values appropriate in order to balance the maximum potential penalty with the maximum potential incentive?
- 9. Does the plan include sufficient measures to promote competition?
- 10. Does the plan include adequate provisions for evaluating successful attainment of identified plan goals?

11. Is it reasonable for the company to not flow through the TEACH/UW Systems assessment to its customers for the duration of the alternative regulation plan?
12. Is it reasonable for the company to determine the number of residents in the exchanges to be affected by the proposed plan who do not have local exchange service because of poverty, illness, or other misfortunes, and to implement a program that enables these residents to receive local telephone service?

The utility is responsible for notice to its customers of the filing of its alternative regulation plan with the Commission, and, pursuant to Wis. Admin. Code § PSC 2.73 for producing proof of such notice at the hearing.

**NOTICE IS GIVEN** that a hearing will be held on July 22, 1999, at 1:30 and 7:00 p.m. in La Crosse County Administrative Center-Basement Auditorium, 400 Fourth Street North, La Crosse, Wisconsin. This building is accessible to people in wheelchairs. Parking for people with disabilities is available. Any person with a disability who needs accommodations should contact the case coordinator listed below.

Persons who desire to actively participate as full parties must request full party status in writing. Full party status requests should be addressed to Jeff Patzke, Hearing Examiner, Public Service Commission of Wisconsin, Examining Division, P.O. Box 7854, Madison, Wisconsin 53707-7854.

This is a Class 1 proceeding as defined in Wis. Stat. § 227.01(3)(a). This hearing is conducted under the jurisdiction of the Commission in Wis. Stat. §§ 196.02, 196.195(12), and 196.28, and other provisions of Wis. Stat. chs. 196 and 227 as may be pertinent hereto.

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to get this document in a different format should contact the case coordinator listed below.

Questions regarding this matter may be directed to case coordinator Christopher Larson at (608) 267-9508.

Dated at Madison, Wisconsin, \_\_\_\_\_

By the Commission:

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Lynda L. Dorr  
Secretary to the Commission